

State of Alaska FY2003 Governor's Operating Budget

Department of Transportation/Public Facilities Southeast Region Highways and Aviation Component Budget Summary

Component: Southeast Region Highways and Aviation

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Component Mission

Maintain, protect and control the state's highway, harbor and airport systems.

Component Services Provided

- Winter snow and ice control including: snow plowing, snow removal, sanding, de-icing, avalanche control, snow fencing and culvert thawing.
- Summer maintenance including: grading, pothole patching, crack sealing, leveling of heaves and dips, brush clearing, sweeping, dust control, drainage cleaning and repair, fence and guardrail repair, bridge painting and repair, and sign maintenance.
- Road and airport lighting systems including: maintenance of traffic signals, intersection and road illumination, harbor electrical service and lighting, and runway and taxiway lights.
- Roadside litter control and trash removal at rest areas, turnouts and campgrounds.
- Control access to State rights of way for driveways, access roads, signs and utilities.
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Component Goals and Strategies

To maintain and operate Southeast Region State highway, harbor and airport facilities in a manner that allows the safe and efficient transportation of passengers and freight.

- Evaluate safety and efficiency of operations through training, communication with the public and new technology research.

To safeguard the State's investments in highways and airports.

- Provide adequate maintenance by the most productive and cost effective means available.
- Allocate public funds responsibly through the use of private contracts and in-house resources.
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Provide necessary maintenance and operations services by the most productive and cost-effective means available.

- Develop a maintenance management system to help gauge our performance and better manage our resources.
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Key Component Issues for FY2002 – 2003

- The key issue continues to be protecting Alaska's investment in its transportation infrastructure. The State's investments in roads, harbors and airports are eroding each year due to insufficient maintenance. As the transportation infrastructure continues to age, M&O is faced with an ever-increasing list of deferred maintenance work. Other demands include increases in the cost of labor, materials, electricity and fuel; cost of maintaining new infrastructure such as airport taxiways and lighting systems and highway traffic signals; and finally, the increasing burden of new laws and regulations. The M&O budget has not kept up with these increased demands and is inadequate to sustain basic preventative maintenance of our roads and airports. Our list of deferred maintenance items currently exceeds \$25 million.
- Increased costs have been offset to some degree through increased productivity and other efficiencies. They are offset to a large extent by increased use of federal capital funds. General Funds for capital improvements have dwindled in recent years to insignificant levels. Highways and Aviation has made maximum use of federal highway funding to achieve major improvement of road surfaces (chip sealing), which decreases maintenance costs for the short term. Operating costs, however, have continued to outweigh the sum of our cost-reducing efforts, the infusion of capital funds, and our operating revenues. These budget shortfalls have resulted in decreased striping, snow removal and road maintenance activities in outlying areas.

- Airport security is now a major issue following the events of September 11. Requirements for security are changing to comply with FAA-mandated Emergency Amendments to airport security programs. Additional personnel are needed to perform mandated functions such as security management, inspection, law enforcement, access control, parking area and perimeter patrols, and administrative functions. Along with additional personnel, considerable costs will be incurred to provide remote parking areas, security fences, lighting equipment, access controls and additional security vehicles. The Aviation Security Act will help define Federal requirements for added security and specify whether federal funds will be available.

Major Component Accomplishments in 2001

- Haines: Reconstructed and chip sealed Chilkat Lake Road, 4.0 miles and Porcupine Road, 1.0 mile as part of agreement to transfer Porcupine Road to the Borough of Haines. Completed emergency repairs on Klukwan Road.
- Juneau: Chip sealed Glacier Highway, Eagle Beach to end of pavement, 4.4 miles; chip sealed North Douglas Highway, Eaglecrest to end of road, 3 miles.
- Kake: Repaired major pavement subsidence problem on Keku-Kake Road.
- Ketchikan: Chip sealed 1.8 miles of roads, including D-1 Loop, D-2 Loop, Roosevelt Spur, and Higgins Spur.
- Klawock: Installed security fence at airport..
- Petersburg: Chip sealed .5 miles of road, including Scow Bay Loop Road, Falls Creek Road, Papke's Landing Road, and Crystal Lake Hatchery Road.
- Port Protection: Provided materials to the Community Association of Port Protection to perform major repairs to the city dock.
- Sitka: Performed emergency pavement repair on Sawmill Creek Road, 2.5 miles.
- Skagway: Reconstructed and chip sealed 2.0 miles of Dyea Road; completed erosion control project on Taiya River.
- Wrangell: Removed and replaced outdated/PCB contaminated airport electrical regulator.
- Yakutat: Crack sealed runway and taxiway.
- Certified Airports (Gustavus, Petersburg, Sitka, Wrangell, and Yakutat): Completed installation of FAA mandated improved hold lines and reflective paint (glass beads).

Statutory and Regulatory Authority

A.S. 02 - Aeronautics
A.S. 30 - Harbors & Shipping
A.S. 38 - Motor Vehicles
A.S. 44 - State Government
AAC 13 - Public Safety
AAC 14 - Public Works
AAC 17 - DOT&PF
CFR 14 - Aeronautics
CFR 23 - Highway

Southeast Region Highways and Aviation

Component Financial Summary

All dollars in thousands

	FY2001 Actuals	FY2002 Authorized	FY2003 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	4,346.9	4,710.1	5,177.8
72000 Travel	94.4	84.5	84.5
73000 Contractual	2,816.7	2,990.6	3,297.6
74000 Supplies	2,176.3	1,762.2	2,005.9
75000 Equipment	448.7	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	9,883.0	9,547.4	10,565.8
Funding Sources:			
1004 General Fund Receipts	8,310.6	8,468.0	8,971.0
1005 General Fund/Program Receipts	304.9	377.4	377.4
1007 Inter-Agency Receipts	163.7	86.0	88.6
1027 International Airport Revenue Fund	0.0	527.5	538.7
1053 Investment Loss Trust Fund	81.2	0.0	0.0
1061 Capital Improvement Project Receipts	777.7	7.1	507.1
1108 Statutory Designated Program Receipts	198.4	81.4	83.0
1147 Public Building Fund	46.5	0.0	0.0
Funding Totals	9,883.0	9,547.4	10,565.8

Estimated Revenue Collections

Description	Master Revenue Account	FY2001 Actuals	FY2002 Authorized	FY2002 Cash Estimate	FY2003 Governor	FY2004 Forecast
Unrestricted Revenues						
Unrestricted Fund	68515	7.5	0.0	0.0	0.0	0.0
Unrestricted Total		7.5	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	153.7	86.0	86.0	88.6	88.6
General Fund Program Receipts	51060	304.9	377.4	377.4	377.4	377.4
Statutory Designated Program Receipts	51063	198.4	81.4	81.4	83.0	83.0
Capital Improvement Project Receipts	51200	777.7	7.1	7.1	507.1	507.1
Restricted Total		1,434.7	551.9	551.9	1,056.1	1,056.1
Total Estimated Revenues		1,442.2	551.9	551.9	1,056.1	1,056.1

Southeast Region Highways and Aviation
Proposed Changes in Levels of Service for FY2003

No service level changes are planned for the FY2003 budget.

Summary of Component Budget Changes
From FY2002 Authorized to FY2003 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2002 Authorized	8,845.4	0.0	702.0	9,547.4
Adjustments which will continue current level of service:				
-Year 3 Labor Costs - Net Change from FY2002	154.1	0.0	15.4	169.5
Proposed budget increases:				
-Add GF for fuel cost increases	41.9	0.0	0.0	41.9
-Add GF for SEF rate increases	307.0	0.0	0.0	307.0
-Add CIP Receipt Authority for M&O staff to charge to capital maintenance projects	0.0	0.0	500.0	500.0
FY2003 Governor	9,348.4	0.0	1,217.4	10,565.8

Southeast Region Highways and Aviation

Personal Services Information

Authorized Positions		Personal Services Costs		
	<u>FY2002</u>	<u>FY2003</u>		
	<u>Authorized</u>	<u>Governor</u>		
Full-time	61	65	Annual Salaries	3,257,939
Part-time	9	5	COLA	138,160
Nonpermanent	0	0	Premium Pay	650,125
			Annual Benefits	1,349,285
			Less 4.04% Vacancy Factor	(217,709)
			Lump Sum Premium Pay	0
Totals	70	70	Total Personal Services	5,177,800

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	0	0	1	0	1
Administrative Clerk III	0	0	2	1	3
Administrative Manager I	0	0	1	0	1
Engineering Associate	0	0	1	0	1
Equip Operator Foreman I	0	0	1	0	1
Equip Operator Foreman II	0	0	2	4	6
Equip Operator Journey I	0	0	0	1	1
Equip Operator Journey II	0	0	10	16	26
Equip Operator Jrny III/Lead	0	0	0	24	24
Leasing Officer II	0	0	1	0	1
Leasing Officer IV	0	0	1	0	1
Maint Spec Bfc Foreman	0	0	1	0	1
Maint Spec Etrician Journey II	0	0	1	0	1
Trans Maint Manager II	0	0	1	0	1
Trans Maint Manager III	0	0	1	0	1
Totals	0	0	24	46	70